COAL INDIA LIMITED

A MAHARATNA COMPANY

Regd. Office : 10, Netaji Subhas Road, Kolkata-700001

PHONE: 033-2248 5123, GRAM:COALINDIA. **FAX:** 033-2231-5060

Email – mviswanathan2@coalindia.in **WEBSITE:** www.coalindia.in **CIN:** L23109WB1973GOI028844

POSTAL BALLOT NOTICE

(Pursuant to Section 110 of the Companies Act, 2013 and Rules made thereunder)

Dated:- 4th June' 2014

To,
The Shareholder(s),

Sub: Passing of Resolution by Postal Ballot

Notice is hereby given that the proposed resolution is circulated for approval of the Shareholders of the Company to be accorded by Postal Ballot in accordance with Section 110 of the Companies Act, 2013 (the Act) (which shall include any statutory modifications, amendments or re-enactments thereto) read with Rule 22 of Companies (Management and Administration) Rules 2014 (which shall include any statutory modifications, amendments or re-enactments thereto). The Company is offering e-voting facility also to all the Shareholders of the Company. Hence, the shareholders are requested to consider and if thought fit to give ASSENT/DISSENT/ABSTAIN to the following resolution as a Special Resolution.

Board of Directors of the Company, in its 307th meeting held on Thursday, 29th May 2014 have approved the following resolution for approval of the Shareholders of the Company:

RESOLVED THAT in accordance with Sec 13 and other applicable provisions, if any of the Companies Act 2013 (including any statutory modification(s) or re-enactment thereto, for the time being in force), approval be and is hereby given to amend Clause III (A) 1(g) of main object clause of Memorandum of Association(MoA) of Coal India Limited to read as under:-

"To produce, process, store, distribute, sell, import, export or otherwise deal in gas and other by products arising from the coal gasification process in India and abroad and use products or by-products of gasification process to produce Ammonium Nitrate, Fertilizers and associated products, and for this purpose, to install, operate and manage all necessary plants, mines, establishments and works, in India and abroad."

FURTHER RESOLVED THAT CMD / Director (Finance) / Company Secretary be and are hereby jointly or severally authorized to do all such acts, deeds and things that may be necessary, proper, expedient or incidental for the purpose of giving effect to the aforesaid resolution.

For amendment of Memorandum of Association, it is mandatory to seek the approval of Shareholders of the Company by way of special resolution as per Section 13 and other applicable provisions of the Companies Act, 2013. Accordingly, the shareholders are requested to pass the resolution proposed through Postal Ballot either electronically or through physical ballot.

The proposed resolution and explanatory statement stating material facts and the reasons for the proposal are enclosed along with Postal Ballot form. The Company has appointed Ms. Savita Jyoti, Savita Jyoti Associates, a Practicing Company Secretary, Secunderabad as a Scrutinizer for conducting the Postal Ballot process in accordance with law.

Please read carefully the instructions printed in the Postal Ballot form and return the form duly completed in all respects in the enclosed self addressed pre-paid postage envelope so as to reach the Scrutinizer before the close of working hours **i.e. 1730 hours, on or before Wednesday, 16th July, 2014.**

For e-voting/ voting through postal ballot please read carefully the instructions printed in the notice. The voting will begin from **0930 hours on Tuesday, 17th June'2014** and end on the close of **working hours i.e. 1730 hours, Wednesday,16th July, 2014.** The e-voting module shall also be disabled by M/s Karvy Computershare Private Limited for voting thereafter.

Any postal ballot form received from the members beyond the said date will not be valid & voting whether by post or by electronic means shall not be allowed beyond the close of **working hours i.e. 1730 hours,Wednesday, 16th July' 2014.**

The Scrutinizer will submit the report to Chairman and Managing Director or Company Secretary of the Company after completion of the scrutiny on **Friday, the 18th July' 14.** The result of the voting by Postal Ballot will be declared by the Chairman & Managing Director/ person authorized by him **on Friday, 18th July, 2014** and the result of the Postal Ballot will be informed to the Stock Exchanges on the same day where the Shares of the Company are listed and uploaded in company's website. The results will also be published in the newspapers on **Tuesday, 22nd July, 2014.**

By order of the Board
For Coal India Limited

(M. Viswanathan)
Company Secretary

Encl:- As above.

Notes

1. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 setting out material facts is annexed hereto.
2. The Notice of Postal Ballot is being sent to all the Shareholders, whose names appear on the Register of Members/list of Beneficial Owners as received from RTA/ National Securities Depository Limited (NSDL)/Central Depository Services (India) Limited (CDSL) on Friday, 30th May, 2014.
3. The Company has appointed Ms. Savita Jyoti, Savita Jyoti Associates, a Practising Company Secretary, Secunderabad as a Scrutinizer for conducting the Postal Ballot process in a fair and transparent manner.
4. In compliance with Section 110 of the Act read with Companies (Management and Administration) Rules 2014 the Company is offering e-voting facility to all the Shareholders of the Company. M/s Karvy Computershare Private Limited, company's Share Registrar and Transfer Agent will be facilitating e-voting to enable the Shareholders to cast their votes electronically instead of dispatching Postal Ballot Form wherever e-mail ID is registered. E-voting is optional.

PROCEDURE AND INSTRUCTIONS FOR E-VOTING

a) The procedure and instructions for e-voting are as follows:

i) Open your web browser during the voting period and navigate to 'https://evoting.karvy.com'

ii) Enter the login credentials (i.e., user-id & password) mentioned on the Postal Ballot Form. Your folio/DP Client ID will be your User-ID.

User – ID	For Members holding shares in Demat Form:- a) With NSDL :- 8 Character DP ID followed by 8 Digits Client ID b) With CDSL :- 16 digits beneficiary ID For Members holding shares in Physical Form:- •Event number followed by Folio Number registered with the company
Password	Your Unique password is printed on the Postal Ballot Form / via email forwarded through the electronic notice
Captcha	Enter the Verification code i.e., please enter the alphabets and numbers in the exact way as they are displayed for security reasons.

iii) Please contact Company's registrar for any further clarifications on telephone no: 040-44655000 (toll free No. **1-800-34-54-001**)

iv) After entering these details appropriately, click on "LOGIN".

v) Members holding shares in Demat/Physical form will now reach Password Change menu wherein they are required to mandatorily change their login password in the new password field. The new password has to be minimum eight characters consisting of at least one upper case (A-Z).one lower case (a-z), one numeric value (0-9) and a special character. Kindly note that this password can be used by the Demat holders for voting for resolution of any other Company on which they are eligible to vote, provided that Company opts for e-voting through M/s Karvy Computershare Private Limited e-Voting platform. System will prompt you to change your password and update any contact details like mobile no., email ID etc on 1st login. You may also enter the Secret Question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

vi) You need to login again with the new credentials.

vii) On successful login, system will prompt to select the 'Event' i.e., 'Company Name'.

viii) If you are holding shares in Demat form and had logged on to "https://evoting.karvy.com" and casted your vote earlier for any company, then your exiting login id and password are to be used.

ix) On the voting page, you will see Resolution Description and against the same the option 'FOR/AGAINST/ABSTAIN' for voting .Enter the number of shares (which represents number of votes) under 'FOR/AGAINST/ABSTAIN' or alternatively you may partially enter any number 'FOR' and partially 'AGAINST', but the total number 'FOR/AGAINST' taken together should not exceed your total shareholding. If the shareholder do not want to cast, they may select 'ABSTAIN'.

x) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on " CANCEL" and accordingly modify your vote.

xi) Once you 'CONFIRM' your vote on the resolution, you will not be allowed to modify your vote subsequently.

xii) **Corporate/Institutional Members (corporate /FIs/FIIs/Trust/Mutual Funds/Banks, etc) are required to send the relevant Board resolution (PDF format) to the Scrutinizer through e-mail: savitajyoti@yahoo.com with copy to evoting@karvy.com. The file scanned image of the Board Resolution should be in the naming format "Corporate Name_ Event no.".**

xiii) Members can cast their vote online from **0930 hours on Tuesday, 17th June'2014 till 1730 hours, Wednesday,16th July, 2014.**

(b) In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the Downloads section of 'https://evoting.karvy.com' or contact M/s Karvy Computershare Private Limited at Telephone No: 040-44655000 (Toll Free No.: **1800 345 4001**)

(c) You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).

Shareholders who have registered their e-mail IDs for receipt of documents in electronic mode under the Green Initiative of Ministry of Corporate Affairs are being sent Notice of Postal Ballot by e-mail and others are sent by post along with Postal Ballot Form. Shareholders who have received Postal Ballot Notice by e-mail and who wish to vote through Physical Postal Ballot Form can download Postal Ballot Form from the link https://evoting.karvy.com or http://coalindia.in. To seek duplicate Postal Ballot Form in case of non-receipt of the same, please contact our Registrar and Share Transfer Agent M/s. Karvy Computershare Private Limited, Unit: Coal India Limited, 17-24 Vithal Rao Nagar Madhapur,Hyderabad-500081. We request you to fill in the details and send the same to the Scrutinizer before 1730 hours on 16th July'2014.

(d) In case of Shareholders' receiving Postal Ballot Form by Post:

Please follow the instruction mentioned in the Postal Ballot Form to cast your vote in Physical Postal Ballot mode.

5. **Kindly note that the Shareholders can opt only one mode of voting, i.e., either by Physical Ballot or e-voting. If you are opting for e-voting, then do not vote by Physical Ballot also and vice versa. However, in case Shareholders cast their vote by Physical Ballot and e-voting, then voting done through valid Physical Ballot shall prevail and voting done by e-voting will be treated as invalid.**

6. Shareholders desiring to exercise vote by Physical Postal Ballot are requested to carefully read the instructions printed in the Postal Ballot Form and return the Form duly completed and signed in the enclosed self addressed business reply envelope to the Scrutinizer. The postage cost will be borne by the Company. However, envelopes containing Postal Ballots, if sent by courier or registered/speed post at the expense of the Shareholders will also be accepted.

7. The voting rights of Shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on **Friday, 30th May'14.**

8. The voting period ends at **1730 hours, Wednesday,16th July, 2014.** Assent/Dissent/Abstain received after 16th July'14 would be strictly treated as if reply from the shareholder has not been received.

9. In the event, the draft resolution is assented to by the requisite majority of Shareholders by means of Postal Ballot, the date of declaration of Postal Ballot result shall be deemed to be the date of passing of the said resolution.

10. All the documents referred to in the accompanying Notice and explanatory Statement are open for inspection between 10.00 a.m. to 12.00 noon on all working days at the Registered Office of the Company i.e. Coal India Limited, 10, Netaji Subhas Road, Kolkata-700001 upto **Wednesday,16thJuly, 2014.**

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 IN RESPECT OF SPECIAL BUSINESS SET OUT IN THE NOTICE.

Item No. 1

Amendment of Clause III (A) 1(g) of object clause of the Memorandum of Association (MoA) of Coal India Limited:

Rashtriya Chemicals & Fertilizers Limited (RCF) had signed an Memorandum of Understanding (MoU) with Gas Authority of India Limited (GAIL) for jointly exploring the potential use of Synthesis gas produced from Surface Coal Gas Project (SCG Plant) in the fertilizer industry.

GAIL had approached Coal India Limited (CIL) for co-operating in various studies required for the process and project development for Surface Coal Gasification in coal bearing states in India including the area in and around Talcher. With the 'in principle' approval of CIL Board, an MoU was signed with GAIL on 10th January'2008.

Ministry of Chemicals & Fertilisers convened a meeting on 9th December'2009 for revival of Talcher Unit of Fertilizer Corporation of India (FCIL). In the meeting it was decided that GAIL, CIL and RCF would form a consortium by signing an MoU for setting up of Surface Coal Gasification Plant for chemicals/fertilizers at Talcher.

The Cabinet Committee on Economic Affairs (CCEA) in its meeting held on 4th August'2011 awarded revival of Talcher Plant of FCIL to the consortium of GAIL, RCF and CIL. It was envisaged that a new urea – ammonium nitrate project would be set up at the site of the defunct fertilizer plant of FCIL at Talcher using coal gasification technologies that are currently available globally.

In continuation of the above decision of CCEA, a meeting chaired by the Principal Secretary to the Prime Minister was held on 26th August'2013, wherein it was decided to form two separate joint venture (JV) companies for operating the proposed project i.e.

JV 1 - Coal gasification and gas purification with GAIL as the major partner (> 70% stake), FCIL(11%), RCF, CIL and the technology supplier shall hold the balance stake.

JV 2 - For setting up downstream Fertilizer-cum-Ammonium Nitrate complex unit with RCF and CIL as majority stake-holders, FCIL – 11% and GAIL as minority stake-holders.

In pursuance of the meeting held on 26th August'2013, an MoU was signed among FCIL, RCF, GAIL and CIL on 5th September'2013 wherein it was agreed 'in principle' to form two separate JV companies for setting up of a new Surface Coal Gasification based Urea plant and Ammonium Nitrate Chemicals complex at the site of Talcher Unit of FCIL subject to establishing technical and financial viability through preparation of Detailed Feasibility Report (DFR). This was ratified by CIL Board in its meeting held on 16th December'2013.

The main object clause of MOA of CIL does not contain provision for setting up of Fertilizer cum Ammonium Nitrate complex. Hence, in the 307th CIL Board meeting held on 29th May'2014, Board has accorded its approval to the proposal to amend Clause III (A) 1(g) of Memorandum of Association (MoA) and recommends the passing of the proposed special resolution as contained in the notice by the members of the company. For better understanding, we are enclosing the existing clause as well as the proposed amendment to Clause III (A) 1(g) of the Memorandum of Association of the company.

In view of the above, you are requested to grant your consent to the Special Resolution as set out at item no.1 of the Postal Ballot Notice dated 4th June '2014 of the company.

None of the Directors or key managerial personnel of the company or their relatives are concerned or interested in the special resolution except to the extent of their shareholding in the company.

By order of the Board
For Coal India Limited

(M. Viswanathan)
Company Secretary

Dated:-4th June 2014

Existing Clause III (A) 1(g)	**Proposed Amendment to Clause III (A) 1(g)**
"To produce , process, store, distribute, sell, import, export or otherwise deal in gas and other byproducts arising from the coal gasification process in India and abroad and for this purpose, to install, operate, and manage all necessary plants, mines establishments and works."	"To produce, process, store, distribute, sell, import, export or otherwise deal in gas and other by products arising from the coal gasification process in India and abroad and use products or by-products of gasification process to produce Ammonium Nitrate, Fertilizers and associated products, and for this purpose, to install, operate and manage all necessary plants, mines, establishments and works, in India and abroad."

COAL INDIA LIMITED

A MAHARATNA COMPANY

CIN: L23109WB1973GOI028844

Regd. Office : 10, Netaji Subhas Road, Kolkata - 700001**., PHONE:** 033-2248 5123, **GRAM:** COALINDIA.

FAX: 033-2231-5060 **Email:** mviswanathan2@coalindia.in **WEBSITE:** www.coalindia.in

POSTAL BALLOT FORM

(To be returned to the scrutinizer appointed by the company)

SERIAL No.:

1. **Name(s) of Member(s)** : (Including joint holders, if any) **(in block letters)**

2. **Registered address of the Sole/first named Member** :

3. **Registered folio No./ DP ID No./Client ID No.*** : (*Applicable to investors holding shares in dematerialized form)

4. **Number of shares held** :

5. I/We hereby exercise my/our vote in respect of Special Resolution to be passed through Postal Ballot for the Business stated in the Postal Ballot Notice and Explanatory Statement annexed thereto by sending my/our assent **(FOR)** or dissent **(AGAINST)** or Abstain to vote **(ABSTAIN)** to the said resolution by placing the tick (√) mark at the appropriate box below:

ITEM No.	ITEM	No. Of Shares	I/We assent to the Resolution (FOR)	I/We dissent to the Resolution (AGAINST)	I/We abstain to vote to the Resolution (ABSTAIN)
	Amendment of Clause III (A) 1 (g) of main object clause of the Memorandum of Association (MoA) of Coal India Limited				

Place:
Date :

(Signature of the Member)

EMAIL:-_____ #Tel/ Mobile Number:- _____
Optional

ELECTRONIC VOTING PARTICULARS

EVEN (E Voting Event Number)	USER ID	PASSWORD/PIN

Notes:-

1) Last date for receipt of Postal Ballot Forms by Scrutinizer is Wednesday,16th July, 2014 till 1730 hours.

2) Please read the instructions printed overleaf carefully before exercising your vote.

PROCEDURE AND INSTRUCTIONS FOR POSTAL BALLOT

1. A Shareholder desiring to exercise vote by Postal Ballot may complete this Postal Ballot Form (no other form or photocopy thereof is permitted) and send it to the Scrutinizer, Ms. Savita Jyoti, Savita Jyoti Associates, Company Secretaries, Secunderabad, a Practicing Company Secretary in the attached self addressed business reply envelope. Postage will be borne and paid by the Company. However, envelopes containing Postal Ballot Form(s), if sent by courier or registered/speed post at the expense of the Shareholder will also be accepted.

2. Please convey your assent/dissent / abstain in this Postal Ballot form only. The assent or dissent or abstain received in any other format shall not be considered valid.

3. The self addressed business reply envelope bears the address of the Scrutinizer appointed by the company.

4. This Form should be completed and signed by the Shareholder (as per the specimen signature registered with the Company/RTA or Depository Participants). In case of joint holding, this Form should be completed and signed by the first named Shareholder and in his absence, by the next named Shareholder. In case Postal Ballot Form is signed through a Delegatee, a copy of Power of Attorney attested by the Member shall be annexed to the Ballot.

5. The consent must be accorded by recording the assent in the Column 'FOR' and dissent in the Column 'AGAINST' or Abstain in the column 'ABSTAIN' by placing a tick ($\surd$) mark in the appropriate column.

6. Duly completed Postal Ballot Form should reach the Company not later than **Wednesday,16th July, 2014,1730 hours.** All Postal Ballot Forms received after this date will be strictly treated as if reply from such Shareholder(s) has not been received.

7. There will be only one Postal Ballot Form for every folio irrespective of the number of joint Shareholder(s).

8. In case of shares held by companies, trusts, societies etc. the duly completed Postal Ballot Form should be accompanied by a certified true copy of Board resolution/authorizing giving requisite authority to the person voting on the postal ballot form, together with the duly attested specimen signature(s) of the authorized signatories..

9. A Shareholder may request for a duplicate Postal Ballot Form through an email, if so required from "http://evoting.karvy.com" However, the duly completed duplicate Postal Ballot form should reach the Scrutinizer not later than the last date of receipt of Postal Ballot Form, **i.e., Wednesday,16th July, 2014,1730 Hours.**

10. Voting rights shall be reckoned on the paid up value of shares registered in the name of the Shareholders as on **Friday, 30th May '2014.**

11. Shareholders are requested not to send any other paper along with the Postal Ballot Form in the enclosed self addressed business reply envelope, as all such envelopes will be sent to the Scrutinizer and any extraneous paper found in such envelope would be destroyed by the Scrutinizer.

12. A Shareholder need not use all the votes nor needs to cast all the votes in the same way.

13. The Scrutinizer's decision on the validity of a Postal Ballot will be final and binding.

14. Incomplete, unsigned or incorrect Postal Ballot Forms will be rejected.

15. In the event, the draft resolution is assented to by the requisite majority of Shareholders by means of Postal Ballot, the date of declaration of Postal Ballot result shall be deemed to be the date of passing of the said resolution.

16. All the documents referred to in the accompanying Notice and explanatory Statement are open for inspection between 10.00 a.m. to 12.00 noon on all working days at the Registered Office of the Company i.e. Coal India Limited, 10, Netaji Subhas Road, Kolkata - 700001 **upto Wednesday,16th July, 2014.**

17. The Company is pleased to offer e-voting facility as an alternate, for all the Shareholders of the Company to enable them to cast their votes electronically instead of dispatching Postal Ballot Form. E-voting is optional.

18. In case of Shareholders' are willing to vote through e-voting, Please follow the instruction mentioned in the Postal Ballot Notice to cast your vote in electronic mode.

19. Contact details:-
Registrar and Transfer Agent

Hyderabad office:-
M/s. Karvy Computershare Pvt. Ltd.
17-24 Vithal Rao Nagar
Madhapur,
Hyderabad-500081
E-mail id: einward.ris@karvy.com
Ph. no.: 040-44655000
Toll Free No.: 18003454001
Fax: 040 23420814

Kolkata office:
M/s. Karvy Computershare Pvt. Ltd.
49 Jatin Das Road
1st Floor
Kolkata 700 029
E-mail id: einward.ris@karvy.com
Ph. no.: 033 2464 7231/7232/4891
Fax: 033 2464 4866

Compliance Officer
Mr. M. Viswanathan
Company Secretary
Coal India Limited
10 N.S. Road
Kolkata-700001
E-mail: complianceofficer@coalindia.in
Tel: (033) 2248-5123
Fax: (033) 2231-5060